



The President's Daily Brief

~~Top Secret~~ 31 December 1968



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THE PRESIDENT'S
DAILY BRIEF
31 DECEMBER 1968

1. Israel-Lebanon

The main Arab terrorist organization, Fatah, has announced it will launch a "rain" of revenge raids in retaliation for the Israeli strike at Beirut. We believe there may well be a new burst of terrorist attacks.

Nasir, who must feel his image is slipping badly, may decide that Egypt must make a dramatic retaliatory attack. His one outstanding success was the sinking of the Israeli destroyer Eilat in October 1967. Israeli shipping in the Mediterranean or the Red Sea is an inviting target. A foray against Israeli positions across the Suez Canal can also be launched with little preparation. The Soviet Union, if consulted, would probably oppose such action.

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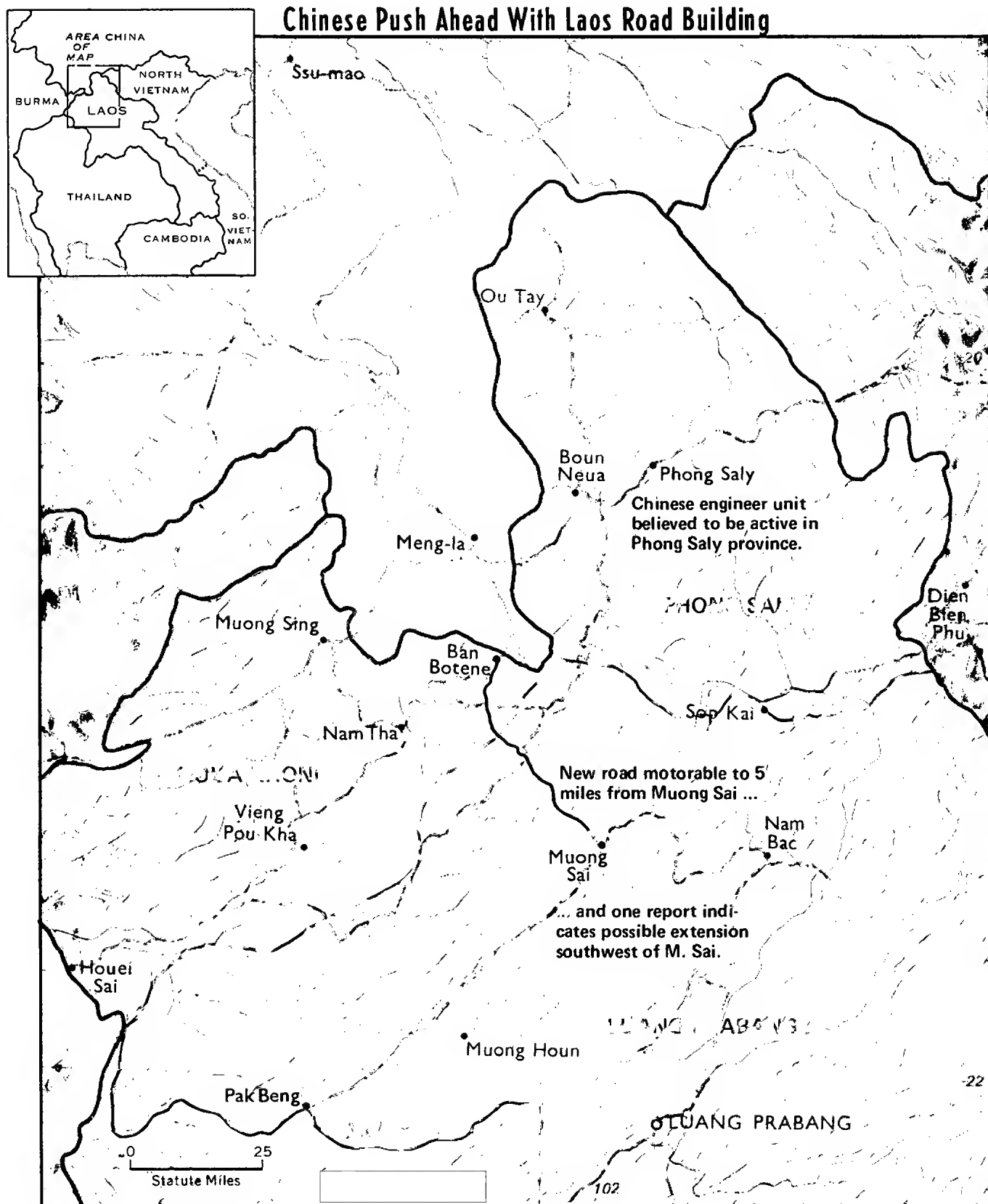
Israeli reaction would certainly be heavy in any event.

World press and diplomatic reaction to the Beirut attack continues to be almost entirely sympathetic to Lebanon. Even some Israeli newspapers are beginning to question the wisdom of Friday's raid.

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The Security Council recessed early this morning, still without action on Lebanon's complaint. It will reconvene at 3:00 PM EST.

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2. Laos

Chinese Communist army engineers are pushing ahead with road construction in two areas of northern Laos. One section of road is now completed to within five miles of the Communist stronghold of Muong Sai. Work also is progressing on sections of road in Phong Saly Province further north. These roads will considerably help the resupply of Communist garrisons in the area.

Chinese engineers bring their own security units with them and there may be as many as 3,000 to 5,000 Chinese in northern Laos.

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North Vietnamese troops have returned to the offensive in both north and south Laos. Attapeu, a provincial capital in the south, is the scene of some particularly active skirmishing.

3. Central America

Economic integration is still a distant smudge on the horizon as disputes continue to plague the Central American Common Market. Currently, Nicaragua's Somoza is irked by his Market partners--Costa Rica, El Salvador, Honduras, and Guatemala--where congressional roadblocking has prevented passage of economic legislation. Somoza, in fact, has threatened to pull out altogether. This probably is bluff, but it is symptomatic. The prognosis for improved cooperation is not bright.

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4. Tunisia

Another first for Apollo-8: President Bourguiba, who has never before been known to touch alcohol, toasted the Apollo crew with champagne. The occasion was a dinner Bourguiba gave senior American diplomats to celebrate Apollo's historic flight.

5. Belgium

King Baudouin is showing signs of becoming a more forceful element in Belgian politics. Heretofore the King has been quite willing to stay in show-case status, but in recent months he has taken a stand on several major issues including the linguistic dispute which keeps Flemish and Walloon speaking Belgians perennially at each other's throats. Last fall the King also lobbied with his principal ministers for an increase in Belgium's NATO forces.

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FOR THE PRESIDENT'S EYES ONLY

- 1.) Special Daily Report on North Vietnam
- 2.) North Vietnamese Reflections of US
Political Attitudes



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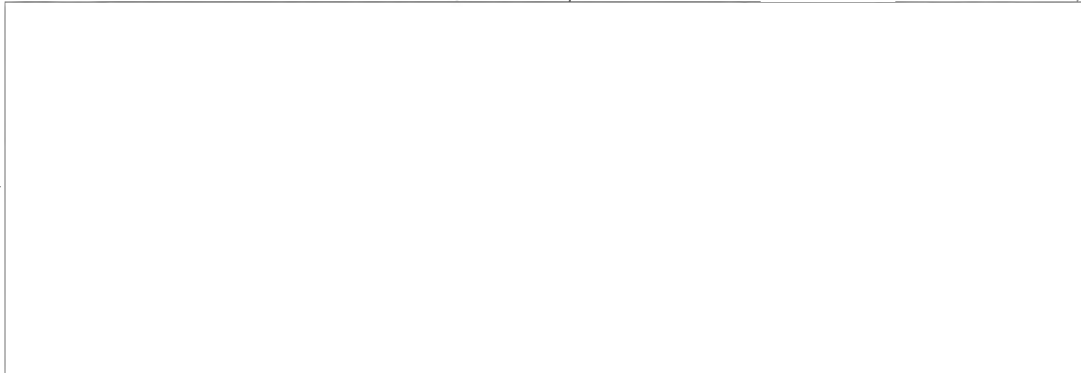
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Special Daily Report on North Vietnam
for the President's Eyes Only

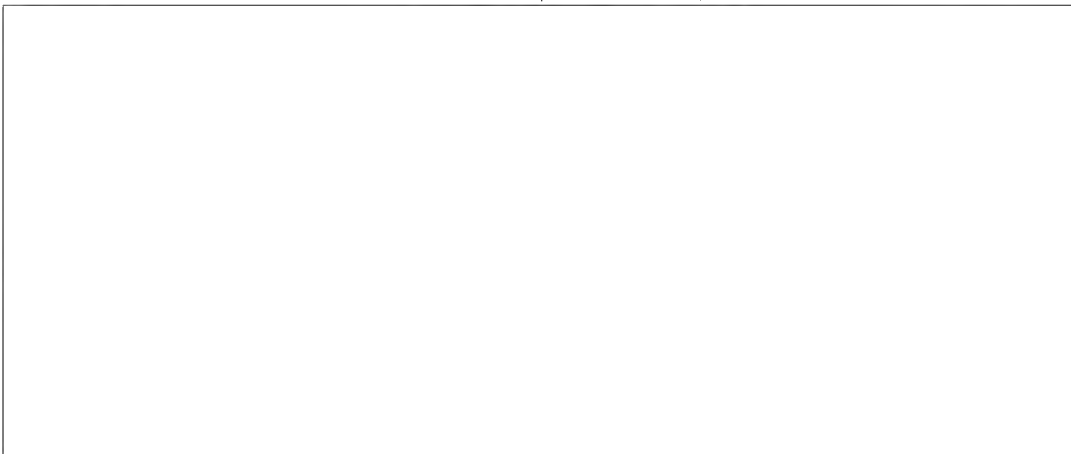
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I. NOTES ON THE SITUATION



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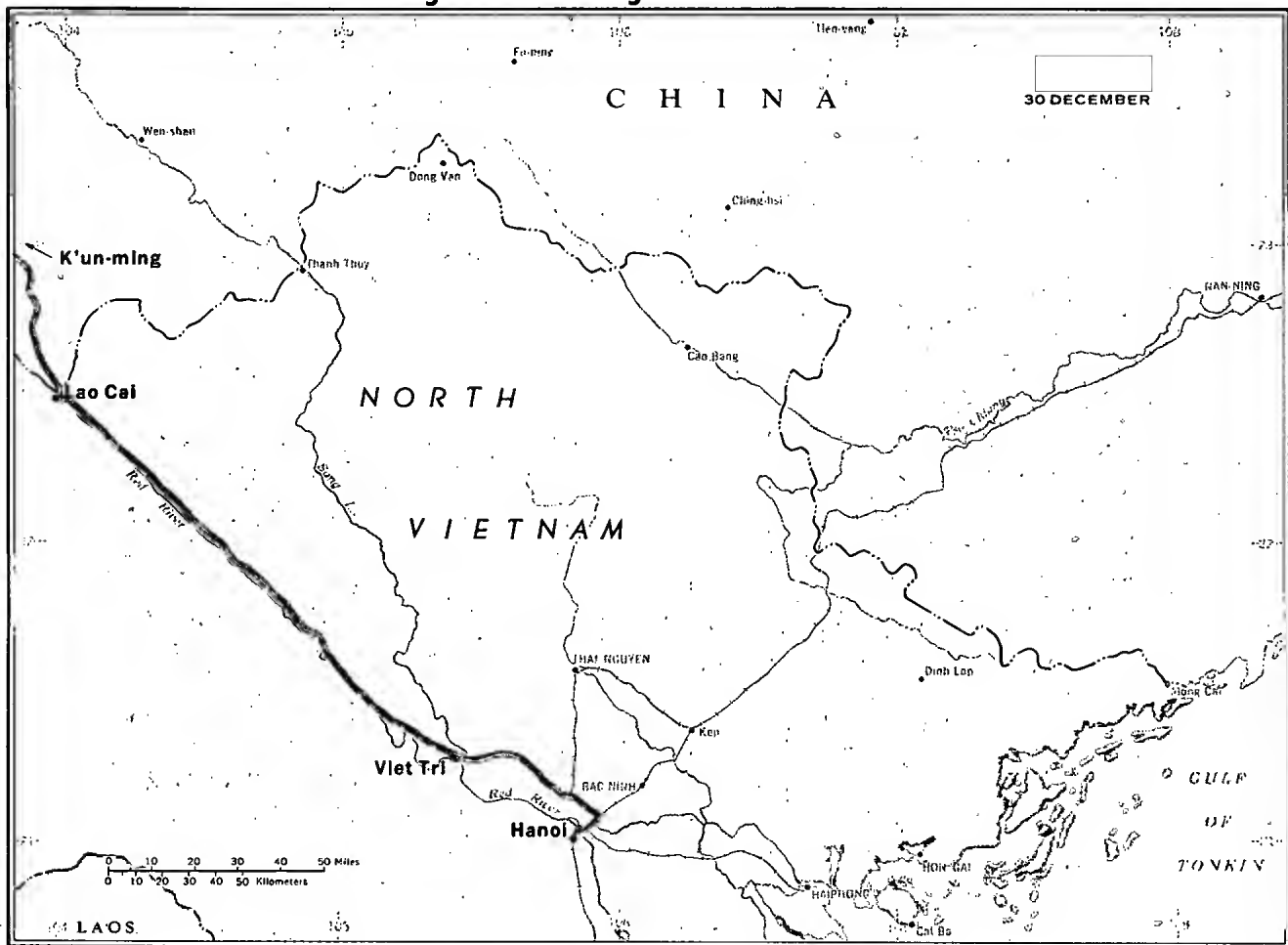
More Repairs to Rail Lines: North Vietnam is reconstructing the 900-foot Viet Tri Rail and Highway Bridge, the most important link in the rail line to the northwest region of the country.



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North Vietnam Reconstructing Viet Tri Bridge



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Bomb damage to the Viet Tri Bridge was left unrepaired for some two years. During the bombing years, the Hanoi-Lao Cai-Kunming line that the bridge served was apparently not needed for deliveries of aid to North Vietnam. The line, however, is the major economic lifeline to the northwest region.

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II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

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Propaganda Efforts: Vietnamese Communists are making a special effort to keep their case in front of the American people throughout this holiday season. In addition to publicizing the prisoner release issue, Communists on both sides of the 17th Parallel are sending holiday greetings to the American public. Ho Chi Minh yesterday issued a special

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New Year's greeting in which he asked for increased support from the American people for Communist negotiating positions and emphasized the importance of US troop withdrawal. The head of the Liberation Front delegation in Paris, in a special Christmas Eve interview with a CBS correspondent, claimed that the Communists make a sharp distinction between the American people and their "war leaders."

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